

The testimony received by the Banking Committee in our June 11 hearing on Operation Casablanca demonstrated the courage and bravery of the federal agents who literally risked their lives by operating an anti-money laundering scheme involving some of the most dangerous and vicious drug dealers in the world. It is indeed fitting that we put the House of Representatives on record against any extradition proceedings involving these courageous men and women.

This resolution raises another issue. Operation Casablanca was successful because of the growing effectiveness of our nation's anti-money laundering policies. The financial services industry must report deposits and withdrawals of cash in excess of \$10,000 and financial institutions must file suspicious activity reports consistent with their "Know Your Customer" guidelines. Only with these programs in place could the criminals be convinced that Operation Casablanca was real.

And finally, the well planned coordination and cooperation between a number of Department of Treasury and Department of Justice law enforcement agencies permitted the sting operation to work as designed. I commend not only the agents in the field but the supervisors and management teams throughout the Administration who are making money laundering a crime that just doesn't pay.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. NETHERCUTT). The question is on the motion offered by the gentleman from Florida (Mr. MCCOLLUM) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 288.

The question was taken.

Mr. MCCOLLUM. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

SENSE OF HOUSE THAT BOARD OF GOVERNORS OF UNITED STATES POSTAL SERVICE SHOULD REJECT RECOMMENDED POSTAGE RATE INCREASE

Mr. LATOURETTE. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 452) expressing the sense of the House of Representatives that the Board of Governors of the United States Postal Service should reject the recommended decision issued by the Postal Rate Commission on May 11, 1998, to the extent that it provides for any increase in postage rates.

The Clerk read as follows:

H. RES. 452

Whereas the United States Postal Service has realized a cumulative net income of approximately \$5,800,000,000 during the past three and one-half fiscal years;

Whereas the national rate of inflation has declined substantially during that time;

Whereas the postal customers and taxpayers of the United States deserve to share in the recent financial gains of the Postal Service;

Whereas any increase in postage rates affects every citizen, resident, and business in

the United States, and is especially harmful to individuals living on low or fixed incomes;

Whereas the Postal Rate Commission issued a recommended decision on May 11, 1998, that proposes, among other things, increases in certain postage rates;

Whereas it has been estimated that the proposed rate increase for first-class mail would increase the annual revenue of the Postal Service by approximately \$1,000,000,000; and

Whereas the Board of Governors of the Postal Service is expected to meet in June 1998 to act upon the recommended decision: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the Board of Governors of the United States Postal Service should reject the recommended decision issued by the Postal Rate Commission on May 11, 1998, to the extent that it provides for any increase in postage rates.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. LATOURETTE) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. LATOURETTE).

(Mr. LATOURETTE asked and was given permission to revise and extend his remarks.)

Mr. LATOURETTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I first want to commend the gentleman from Iowa (Mr. LATHAM), one of my better friends here in this body and a diligent member of the Committee on Appropriations, for sponsoring the legislation before us today. He has been joined by 49 Members in cosponsorship of H. Res. 452.

The bill, Mr. Speaker, addresses a small topic; that is, a penny, the fact that penny by penny, the United States Postal Service will be able to raise \$1 billion per year. Mr. Speaker, that penny may be insignificant for some, but when paid collectively by all mailers, the accumulation is significant, \$1 billion.

The question is, why does the United States Postal Service require this additional annual \$1 billion when it has, over each of the past four years, made more than \$1 billion in profit? That is a fairly significant balance.

Postal ratemaking is a complicated and specialized process in itself. The statutory provisions for changing rates are also unique. The law provides that the Postal Service may request rate increases. The request is sent to the Postal Rate Commission, which must review all of the documentation within 10 months and render a recommended decision that is fair and equitable.

The recommended decision of the PRC must provide sufficient revenues so that the Postal Service will, quote, break even. The governors then may approve, allow under protest, reject, or modify that decision.

The Postal Service showed an approximate \$1.8 billion surplus in fiscal year 1995, a \$1.5 billion surplus in fiscal year 1996, a \$1.2 billion surplus in fiscal year 1997. However, last July the Postal Service requested increased rates be-

cause it estimated that it would be deficient by \$1.4 billion. It turns out, Mr. Speaker, that in mid-1998 the net operating surplus of the Service was more than \$1.3 billion.

The chairman of the Postal Rate Commission, during a May 11 press briefing on this recommended decision, said, and I quote, "The commission believes that the Postal Service is unlikely, in the absence of either the economy going into a free fall, a spending binge or some very creative accounting, to incur any of the \$1.4 billion loss it projected for fiscal year 1998. We believe the service may have seriously misestimated its need for a rate hike."

Additionally, the PRC discovered that the Postal Service based its estimates on 1996 data which did not reflect the current changes. It must be noted that the inflation rate is lower than anticipated. Therefore, costs to the Postal Service are lowered and its financial situation is stronger.

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The Postal Rate Commission's hands are tied by law. The PRC is not permitted to substitute its judgment over the recommendation by the Postal Service even though the PRC did comment that they do not believe that the Postal Service needs to raise rates to break even in fiscal year 1998.

The PRC did, however, cut the original Postal Service request by almost a third and reluctantly granted a raise in the price of a first-class stamp without which other types of mail would have undergone economic consequences.

The chairman of the PRC said, "We can, however, recognize and account for known and certain changes that have occurred since the request was filed. This we have done."

Mr. Speaker, it is my strong belief that, given these circumstances, all Members of this House will want to be on record as to whether or not they believe a postal rate increase is a responsible course of action at this time.

I urge all of our colleagues to support H. Res. 452. This resolution simply expresses the sense of the House of Representatives that the Postal Board of Governors reject the recommended postal rate increase.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

(Mr. DAVIS of Illinois asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Speaker, as a member of the Committee on Government Reform and Oversight, and the Subcommittee on the Postal Service, I deeply regret the fact that H. Res. 452 was never referred to our subcommittee for consideration.

House Resolution 452 was introduced on June 3 of this month and referred to the Committee on Government Reform and Oversight. On June 19, committee

consideration of the measure was waived by the gentleman from Indiana (Mr. BURTON), the chairman.

The Subcommittee on the Postal Service, chaired by the gentleman from New York (Mr. MCHUGH), is the proper forum for discussion and legislation relating to the United States Postal Service. Indeed, House Rule 10, Establishment and Jurisdiction of Standing Committees, grants the Committee on Government Reform and Oversight sole jurisdiction over the Postal Service, generally including the transportation of the mails.

House Resolution 452 never had the opportunity to be considered by the subcommittee of the gentleman from New York (Mr. MCHUGH). This is especially noteworthy given the fact that the gentleman from New York (Mr. MCHUGH) and his staff had been actively engaged in the drafting and redrafting of postal reform legislation over the past 3 years.

H. Res. 452 has not followed what I would consider to be the proper legislative process. The Postal Reorganization Act of 1970 shifted rate making authority from the Congress, where it had become a politically charged process, to two presidentially appointed bodies, the Postal Service Board of Governors and the Postal Rate Commission.

House Resolution 452, by expressing congressional opposition to a process currently before the Postal Board of Governors interjects itself into that very process. The Postal Rate Commission has issued its decision on the postal rate increase, and the matter is before the Postal Board of Governors. I urge that we respect the statutory process or request hearings on this process by the gentleman from New York (Mr. MCHUGH).

Mr. Speaker, whenever we start talking about increasing rates or increasing taxes, I think that every Member of this House perks up, and all of our antennas go out. I for one believe that we should get every ounce of service out of every dollar generated, whether it be on the basis of fees or in taxes.

In addition, whenever an idea or a proposal for raising and/or generating additional revenue is put on the table, there should be maximum time and opportunity for discussion and debate. Therefore, I had hoped that this item would have come before our subcommittee under the leadership of the gentleman from New York (Mr. MCHUGH) so that we could have had a full-blown discussion. There is still time for this to happen. I would urge that we do so.

In addition, the matter is currently, as I stated before, before the Postal Service Board of Governors. I hope that we would give them an opportunity as well to act.

Mr. Speaker, I reserve the balance of my time.

Mr. LATOURETTE. Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa (Mr. LATHAM), author of H. Res. 452.

Mr. LATHAM. Mr. Speaker, I wanted to personally thank my good friend from Ohio (Mr. LATOURETTE) for being here today and also express my appreciation to the gentleman from Indiana (Mr. BURTON), chairman of the full committee, and the gentleman from New York (Mr. MCHUGH) of the subcommittee for waiving jurisdiction, because this is very time sensitive. They are going to make this decision next Monday.

I think the people's House has a right to express an opinion. This is a sense of the House resolution, expressing an opinion. Mr. Speaker, I rise today to urge my colleagues to support this sense of the House resolution calling for the United States Postal Board of Governors to reject the \$1.6 billion postage rate increase recommended last month by the Postal Rate Commission.

This \$1.6 billion rate hike, of which \$1 billion will fall upon senders of first-class letters, will affect every American, but primarily those who are poor and are on fixed incomes. Whether we are sending a Father's Day card, a "get well" card to our grandmother, or just paying our monthly bills, the Postal Service will be hitting us up for even more change out of our pocket.

Just to add insult to injury, the Postal Service even raised rates on certified mail, which millions of Americans use to send in their taxes to the IRS.

Included in this \$1.6 billion rate hike or stamp tax is an increase in rates for nonprofit mailers. Local churches, temples, and charities in every Member's district will have to pay about 11 percent more per mailing they send out. As we all know, mailings are often the lifeblood of these organization's donations.

That is why the Alliance of Nonprofit Mailers, and it has more than 150 member organizations, strongly support this resolution. The Alliance includes a broad spectrum of organizations such as the AARP, the American Cancer Society, the American Farm Bureau, the International Association of Fire Fighters, AFL-CIO, Disabled American Veterans, Citizens for a Sound Economy, American Baptist Churches, B'nai B'rith International, the Salvation Army, the YMCA, Rutgers University, UCLA, the Chesapeake Bay Foundation, the National Association of School Boards, the World Wildlife Fund and Consumers Union of the U.S. Also nonprofit periodical publishers such as the National Geographic Society will be hit hardest by the stamp tax.

Again, all this adds up to a \$1.6 billion tax on the American people if this rate increase goes into effect. However, it could have been even worse. In fact, the Postal Service's own recommendation was for a \$2.4 billion rate increase, but the Postal Rate Commission, forced to recommend a rate hike, slashed the Postal Service's plan by \$745 million.

This rate hike is all the more outrageous since the Postal Service has

actually made a profit during the last 3½ years, and listen to this, of \$5.9 billion. Let me say that again. They made a profit in the last 3½ years of \$5.9 billion. That is better than most Fortune 500 companies.

However, by law, the Postal Service is not supposed to make a profit, but, instead, break even. Though, about three-fourths of this year already, the Postal Service is running a \$1.4 billion profit, hardly a sign of an organization which needs a large infusion of cash.

This is the same Postal Service that would like this Congress to pass legislation to grant it more autonomy in how postage rates are set. If the current situation is any indication, can Americans really entrust the Postal Service with that sort of power?

The law says that the Postal Service may, from time to time, request that the Postal Rate Commission recommend a hike in rates or fees so that the Postal Service can meet its expected costs. That is, as long as it will equal "nearly as practicable total estimated cost of the Postal Service." This is the so-called break-even requirement.

So why did the Postal Rate Commission recommend last month to grant a rate increase, albeit of less magnitude than originally asked for? According to Edward Gleiman, who is Chairman of the Postal Rate Commission, the Postal Board of Governors left them with little choice.

The Board of Governors rejected a proposal by the Commission to delay a decision on the rate increase until more accurate financial data was available, and, therefore, the Commission was forced to decide on the Postal Service's rate increase.

In the event that the Postal Rate Commission did not act, the Board of Governors would have exercised its authority to increase rates temporarily. Gleiman stated on behalf of the Commission that, "while we do not believe, given its strong financial situation, that the service needs to raise rates to break even in fiscal year 1998, we may not second-guess them and send the request back." The decision is in the hands of the Postal Board of Governors.

I think it is evident that the leadership of the Postal Service has forgotten that they operate a public trust. This \$1.6 billion stamp tax represents a break in that trust. I urge all my colleagues to join me in sending a clear and unanimous message to the Postal Board of Governors to reject this huge stamp tax.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, my colleague may very well have captured the real spirit and essence of where the sense of this House might be. I would be the first to agree that the Postal Service has been operating with a level of efficiency, a level of effectiveness, and has, indeed, been turning a profit, which is what we would like to see all businesses do.

By no stretch of the imagination would I want to suggest that I or any of my colleagues would be seeking an increase, as a matter of fact, especially when we talk about not-for-profits who are hard-pressed and hard hurt, even especially when we are talking about some of our businesses and commercial interests that also must, in fact, thrive as well as survive.

I agree with my colleague that setting the rates is a very complex matter. I would have been pleased to hear the dialogue, the discussion. I would have been pleased to hear from the Board of Governors if they were to make such a decision, or from the Rate Commission, their rationale for even making such a proposal. Knowing full well that it was nothing more than a proposal, I would have appreciated that dialogue and that information.

The power of this House reminds me of a discussion I heard the other day about three umpires who were discussing how they call close balls and strikes. The first umpire said, well, let me tell you, all of the close ones, with me, are balls. The second umpire said, well, let me tell you, with me, all of the close ones are strikes. The third umpire said, well, let me tell you, as far as I am concerned, none of them ain't nothing till I call them.

I think that is the way it is with this House. We can hear proposals, we can hear ideas, we can hear what others would have to say, but the bottom line or the final word is, indeed, ours. So I am not in opposition to the concept to the idea or even the bottom line. We would have just appreciated more opportunity to engage in the dialogue in our subcommittee and to have had an opportunity to more thoroughly explore the concept.

Mr. LATHAM. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Illinois. I yield to the gentleman from Iowa.

Mr. LATHAM. Mr. Speaker, I would not disagree with the gentleman, but the fact of the matter is, with the decision being made next Monday, the time sensitive nature of that situation, I am very much appreciative of the fact that the gentleman from Indiana (Mr. BURTON) and the gentleman from New York (Mr. MCHUGH) allowed us to go forward, because I think it is very important in that the people's House express an opinion.

We are representing the people. I think that is the one part of this whole equation that has been left out is what the effects are on the people out there that we represent.

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I apologize that because of the time sensitive nature of this that we had to proceed in this manner. I would hope that he would continue the oversight job that I know he will and to continue his work, but I think this is very important, for us to make a statement here today for the people.

Mr. DAVIS of Illinois. Mr. Speaker, I thank the gentleman very much and

would just suggest that I am sure that we will do that under the very able and capable leadership of the gentleman from New York (Mr. MCHUGH) and the gentleman from Pennsylvania (Mr. FATTAH). We look forward actually to engaging in as much dialogue relative to postal oversight as we possibly can have.

Mr. LATOURETTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, before yielding back, I just wanted to make a couple of observations about the gentleman from Illinois' observations, because he has in the 105th Congress demonstrated himself to be not only a very studious but also a very insightful Member not only of the full committee but also of the Subcommittee on Postal Service and I know that this Member very much appreciates his input and appreciates his getting into the issues that affect all matters that come under the jurisdiction of the committee.

Mr. Speaker, we had an oversight hearing last week in which the gentleman from New York (Mr. MCHUGH) presided. We had the opportunity, all of us, to interchange with the new Postmaster General, Mr. Henderson. I think we are all impressed with his ability to lead the Postal Service into the next generation. But also testifying at that hearing was the General Accounting Office. I was struck by their remarks relative to this postal rate increase that they were particularly concerned about the quality and the quantity of information that had been supplied by the Postal Service to the PRC before making this recommendation.

I am also struck by the gentleman from Iowa's remark that this decision will be made next Monday and time is of the essence; and, lastly, just to reiterate something I think the gentleman from Iowa said, when the PRC came out with its decision, sadly, and why I think this House needs to become involved, in their May 11 document, they indicated that complicating an already challenging case was the finding by the PRC that the Postal Service's financial projections and underlying cost data from 1996 were outdated and contained what appeared to be serious computational errors. As the gentleman from Iowa stated, the PRC then recommended to the Board of Governors that would it not be better to delay a decision even though they had this 10-month clock ticking, but would it not be better to delay a decision and have it right rather than to conform with the requirement of getting it decided. But, sadly, the Board of Governors rejected that. The head of the PRC said, in a response reflecting a preference for form over substance, "The Governors rejected the proposal and reminded the Commission that it was obligated to complete the case in 10 months."

I think the gentleman from Iowa's resolution, I am sure the gentleman from Illinois and all his colleagues on his side of the aisle would rather that

the Board of Governors get it right than get it done quickly. It is for that reason that I would respectfully request that this House pass H. Res. 452.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. NETHERCUTT). The question is on the motion offered by the gentleman from Ohio (Mr. LATOURETTE) that the House suspend the rules and agree to the resolution, House Resolution 452.

The question was taken.

Mr. LATHAM. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. LATOURETTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Resolution 452.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MARTIN LUTHER KING, JR., MEMORIAL

Mrs. LINDA SMITH of Washington. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 113) approving the location of a Martin Luther King, Jr., Memorial in the Nation's Capital.

The Clerk read as follows:

H.J. RES. 113

Whereas section 508 of the Omnibus Parks and Public Lands Management Act of 1996 (40 U.S.C. 1003 note; 110 Stat. 4157) authorized the Alpha Phi Alpha Fraternity to establish a memorial on Federal land in the District of Columbia to honor Martin Luther King, Jr.;

Whereas section 6(a) of the Commemorative Works Act (40 U.S.C. 1006(a)) provides that the location of a commemorative work in the area described as Area I (within the meaning of the Act) shall be deemed not authorized unless approved by law not later than 150 days after notification to Congress that the Secretary of the Interior recommends location of the commemorative work in Area I; and

Whereas the Secretary of the Interior has notified Congress of the recommendation of the Secretary that the memorial be located in Area I: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MARTIN LUTHER KING, JR., MEMORIAL.

The location of the commemorative work to honor Martin Luther King, Jr., authorized by section 508 of the Omnibus Parks and Public Lands Management Act of 1996 (40 U.S.C. 1003 note; 110 Stat. 4157), within Area I is approved under section 6(a) of the Commemorative Works Act (40 U.S.C. 1006(a)).

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Washington (Mrs. LINDA SMITH) and the gentleman from American Samoa (Mr.